

WHEN CONSIDERING new business, MANY Agencies FEEL the starting point is a senior APPOINTMENT. But new business is not a 'role' – it's a kaleidoscope of different functions.

When gearing up for new business, it's understandable that most marcoms agencies feel that for effective representation and to supply internal drive and focus, a senior appointment is necessary. This will provide someone who can credibly close opportunities, and someone fully able to articulate the proposition. They'll also be able to organise and evolve the entire platform on an ongoing basis. Taken together these points suggest a new business director, or equivalent title for the job and this is entirely appropriate in very many instances.

However, the case for hiring a 'director' over a 'manager' to enable these provisions is not always so clear-cut. Agency owners have frequently told us that an automatic decision to bring in a new business director starts with the challenge of actually finding one, and when they do, the net effect can be frustration and waste. What's going wrong in these cases?

An effective new business director will be commercial, accomplished face-to-face, and an excellent motivator. Get the appointment right and they can be a real driver in the agency. But good ones can be very hard to come by, and our research shows that when they are found, many are swiftly promoted, or leave to set up their own businesses. Either way the position is once again vacant – and new business isn't going forwards. The more senior the individual, the more averse they tend to be to cold lead generation (there are exceptions to this rule – the legendary ten cold new business calls a day of Maurice Saatchi, for example). Though an NBD is an optimist by nature, the enthusiasm for personally conducting pro-active new business activity generally starts to wane after a few months, and then you've got an expensive asset processing warm leads – a function that you'd probably be very able to handle yourself – or at least with support from less costly members of staff.

Other agencies we've met have looked at getting support from their PA or hiring a marketing assistant, which arguably goes too far the other way. We've known CEOs that use their PA for appointment setting, but a lot rests on the reputation of the agency brand the PA represents. If you've got capacity, it's always of course beneficial to employ support and administrative staff for revenue generating activity – but in isolation, it's rarely covering the full spectrum of new business requirements.

In order to establish the correct make-up for the HR in your new business function, you need to look long and hard at the post you really require to be filled. What is it precisely you'll need them to do? How will they fit in with the existing structure? Where are the gaps in current provision and are these gaps in the HR provision really that substantial? For instance, as a director of the company, you may be a highly effective torchbearer. Or alternatively, you might be well aware that your skills are better focused servicing clients rather than winning new ones. Be honest with yourself: if you're purely creative at heart and feel uncomfortable with the pitch process, then hiring a new business director is a very good idea. However if you have a commercial head and a proven ability to win accounts face-to-face, then the likelihood is that a new business director would be doubling up on skills that are already catered for within the agency. In this case, you really need a role to support you, incorporating a skilled lead generator and internal organiser – a new business manager.

That's not to say this is always the best route: if yours is a small agency – let's say less than 15 staff – then a full-time new business manager shouldn't be required. It places time pressures on a smallish management team in terms of training, motivating and handholding. And if it works properly, it's likely to generate more activity and leads than can be effectively managed and closed into new revenue streams – causing frustration for everybody. Ideally, the MD or another board director should be contacting prospective clients themselves with the support of admin staff or outsourced resource, and marshalling relevant account management to assist them.

But, if you're over c.20 people and are looking for someone who can be proactive about new business as well as handling incoming live opportunities; someone who has the potential to grow with the company – maybe even become the elusive new business director of the future; and someone who complements the skills you already have for new business – rather than fulfilling a role that's already being dealt with – if this is what you're looking for, then maybe it's time to revisit what a good new business manager should be all about.

What are the characteristics of your new business manager? First and foremost, it's all about potential... It's vital to look to the future when recruiting your new business manager. Does this person have the right raw materials – can they eventually become a loyal and effective new business director? Even if they're not doing meetings in the first instance, are they the kind of person who you could see representing your company in time, if they had the right training?

Just like with a new business director, a new business manager used in the right context can accelerate a company forwards. However, an ineffective or under-utilised new business manager causes frustration and financial loss all round. Just look at these churn rates on the new business executive/manager (or equivalent function) to see how inefficient things are across the industry at present:

Broad Agency Discipline	% Churn New Business Staff p.a.
Design	57
PR	31
Media	36
Digital	22
Advertising	23
DM	44

Fig. 1 – Churn of New Business HR by Agency Discipline (provided by Rainmaker Consulting)

A good new business manager is a personality and a set of raw materials that has the potential to be trained. When recruiting new business people, we primarily would look for: a controlled ego and mature, well-balanced approach to life; energy and enthusiasm; lateral thinking; a positive outlook; creative and imaginative flair; focus and self-discipline – the ability to stick to the plot! - intelligence, articulate, a great communicator... The list goes on – but if you can provide the right environment for them, it doesn't necessarily need to include existing experience in new business.

Key responsibilities should include new business lead generation, management of the sales pipeline, marketing support and vitally, the co-ordination of anyone involved in delivering new business within the agency. Fundamentally, they should be well able to support existing torchbearers and other company directors without the need specifically for a new business director, if they are then trained in, amongst other things: -

- Tools & resources - the full range of options on printed and electronic marketing collateral, media monitoring, business intelligence sources, direct marketing including online, PR, search and selection, breakfast and supper clubs, conferences and seminars etc.
- Relationship marketing – progress of dialogue and effective actions
- Client marketing programmes - the full ambit of marketing requirements and techniques for each major industry sector through a typical marketing cycle
- Agency Solutions – the marketing support industry, the discipline options available, their comparative strengths and weaknesses, effective mix, key players and relative strengths
- Sales theory - DIPADA or similar needs based sales technique
- Research – competitor, market, prospect
- Pitch preparation
- Proposal and meeting follow-up
- Contact & Information Management – new business workstation, database and relationship development
- Training on your business - history, market positioning, point of difference, competitive advantage, key personnel, case studies, awards, viewpoints, research insights – everything they need to know to be most effective
- Managing up as well as down – e.g. coaxing agency marketing collateral out of a busy creative studio
- Coordination of all those involved in new business and the access and leveraging of all knowledge held within the company corporative and individual

If the NBM covers off these functions - with the existing directors being full involved and supplying face-to-face confidence, social skills and gravitas to close the pitches – you have a very efficient platform for new business. Additionally, the manager can develop into an excellent and loyal new business director and then recruit and manage NBMs beneath them as your business grows.